**Outside Bank Accounts & Student Organizations**

If your organization would like to open an account with a banking institution\*, consider the following:

* Why do you need an outside bank account? To collect dues, store donations, etc. ?
* What type of account does your organization need? A savings account? A checking account?
* Is there minimum balance requirement?
* Are there inactivity fees?
* Are there other fees associated with this financial institution & account?
* Who will have access to the account?
* How will you transition new officers’ access to the account year to year?
* Where is the physical location of the banking institution?
* For a list of all Cobb County banking intuitions see the “Cobb County Bank Listing (9.4.15)” file

*\*Please note that any moneys you collect & put in an outside bank account are not institution funds, such as from SABAC, and are NOT tax exempt.*

To open an account with an outside banking institution:

1. Obtain an EIN from the IRS (instructions below)
2. Obtain a letter of recognition from the Department of Student Life
3. All members who wish to be on the account should bring 2 forms of identification with them
4. Have the correct mailing address (at the end of this document)

 Consult with your chosen banking institution regarding their process to open new accounts.

What is a Federal Tax ID Number/EIN?

The Federal Tax ID Number (also known as the Employer Identification Number or EIN) is a number used to identify a business or other organization.

Student organizations wishing to open a bank account should apply for an Employee Identification Number (EIN). Organizations should not open a checking account using an individual’s social security number. The financial burden of that account then rests with that individual and they become responsible for claiming any interest accrued on that account on their own taxes. They also become responsible for the account if there are any problems with it.

Why do I need a Federal Tax ID Number?

You will need this number to open a bank account with external banking institutions. If your organization hosts a fundraiser with an outside business like a restaurant, you need a tax ID number to receive money or in-kind donations. Additionally, obtaining and EIN helps to ensure the IRS will not make any of an organization’s members personally responsible for taxes on revenue that the organization has earned.

Can we just use the University’s EIN?

Being a Registered Student Organization by KSU does not imply tax-exempt status and student organizations are not allowed to use the University’s EIN number or non-profit status. Student organizations are independent entities responsible for their own finances, including establishing and maintaining their tax status with the IRS.

Is the Federal Tax ID Number the same as being a non-profit organization?

No. Student organizations are not Federally Tax-Exempt Non-profit Organizations. Only the federal government can confer charitable status on an organization. Filing for charitable status (501(c)(3) status) is a lengthy legal procedure that commits the organization to the rigorous annual reporting procedures required by the IRS. Because of the annual reporting requirements and the frequent turnover of student leadership, we do not encourage student organizations to file for charitable status.

How do I get a Federal Tax ID Number?

The easiest way to apply is online through the IRS website. You will be walked through the application and receive your number immediately. You can also apply by mail or over the phone.

To apply online:

1. Go to the IRS’ website to apply for an Employer Identification Number (EIN): <https://sa.www4.irs.gov/modiein/individual/index.jsp>

2. Once you have read the instructions on the page, click the Begin Application button.

3. Select the View Additional Types, Including Tax-Exempt and Governmental Organizations option for the “What type of legal structure is applying for an EIN?” question and then click the Continue button.

4. Any of the following options may describe your type of organization: 1) Political Organization; 2) Church-Controlled Organization; 3) Community or Volunteer Group; 4) Social or Savings Club; or 5) Sports Teams (community). Once your selection is made, click on the Continue button.

5. To confirm your selection click the Continue button.

6. Enter your first name, last name, and SSN/ITIN. While the online SS-4 form requires the individual to enter his/her Social Security Number (SSN), it is still the EIN that is used to open a checking account, not any individual’s SSN.

7. Select whether you are an officer or member of the organization or whether you are applying for the EIN as a third party on behalf of the organization and then click the Continue button.

8. Enter the address information for your organization and click the Continue button when you are done.

9. Enter the requested information about your organization and click the Continue button when you are done. Repeat this step for the next screen requesting additional organizational information.

10. Select the Other option for the question “What does your business or organization do?” and click the Continue button.

11. Select the Organization option for the question regarding your business activity and click the Continue button.

12. From the list of organizational activities select the activity that best describes what your organization does and click the Continue button.

13. Select whether you would like to receive your EIN confirmation letter online or by mail and click the Continue button.

14. Once you receive the information, retain it in your student organization files for current and future leadership. You will also need a copy of this form to open an account at a banking institution.

Who do I contact if I have questions or have trouble filling out the online form?

For assistance you should contact the IRS directly. They can be reached at 1-800-829-4933

*Adapted from Harvard College Office of Student Life*

**Kennesaw Campus Mailbox Address:**{RSO Name, NOT Kennesaw State University}
Carmichael Student Ctr. Rm 366 MD 0507

395 Cobb Avenue NW

Kennesaw, GA 30144

**Marietta Campus Mailbox Address:**{RSO Name, NOT Kennesaw State University}
Wilson Student Ctr. Ste 230 MD 9002

860 Rossbacher Way

Marietta, GA 30060

Be sure that the 1st 25 characters of your account name are a true representation of your organization because mailings sometimes only include the 1st 50 characters

Example:
"Beta Zeta Chapter of Alpha Omicron Pi" will only show as "Beta Zeta Chapter of Alph". Instead use "Alpha Omicron Pi-Beta Zeta Chapter"

"Unicycle Club at Kennesaw State University " will only show as "Unicycle Club at Kennesaw." Instead use "Unicycle Club at KSU."